



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590



REPLY TO THE ATTENTION OF

MEMORANDUM

SUBJECT: **ACTION MEMORANDUM** - Request for a CERCLA Removal Action Exemption from the 12 Month Statutory Limit for the Acme Chicago Coke Plant, located in Chicago, Cook County, Illinois (Site ID #B5AY)

FROM: Mike W. Ribordy, On-Scene Coordinator
Emergency Response Branch - Section 2

TO: Richard C. Karl, Director *RC* *For R.K. 12/5/06*
Superfund Division

THRU: Linda M. Nachowicz, Chief *LN*
Emergency Response Branch

I. PURPOSE

The purpose of this memorandum is to request an exemption from the 12-month statutory limit in order to complete the removal activities outlined in the Original Action Memorandum dated July 15, 2005 (see Attachment I). The ongoing response by the United States Environmental Protection Agency (U.S. EPA) is necessary to mitigate the threat to public health, welfare, and the environment posed by the presence of uncontrolled hazardous substances and wastes abandoned at the Acme Chicago Coke Plant (Site) located in Chicago, Cook County, Illinois. Specifically, the exemption is necessary due to Site work being delayed while potentially responsible party (PRP) negotiations took place.

Completing this time-critical removal action will mitigate the threats described above by proper identification, consolidation, packaging, and securing of abandoned hazardous substances in drums, tanks, and containers; excavation and removal of PCB and arsenic contaminated soils; removal of asbestos containing material on piping outside buildings; and repairing the perimeter fence to prevent unrestricted access to the facility.

The Acme Chicago Coke Plant is not presently on the National Priorities List (NPL).

II. SITE CONDITIONS AND BACKGROUND

CERCLIS ID # ILN000509241

A. Physical Location and Description

The Acme Chicago Coke Plant is located at 11236 South Torrence Avenue, Chicago, Cook County, Illinois. The geographical coordinates for the Site are Latitude: 41°41'30" N, Longitude: -87°33'35" W.

The approximately 102-acre Site is located in a primarily industrial area located less than ½ mile from a residential area. The Site is comprised of approximately 20 buildings, including two coke batteries, power house, maintenance building, and by-products building. A chain-link fence surrounds the Site; however, the Site is unrestricted due to vandals cutting the fence and locks. The nearest waterway is the Calumet River, located approximately 0.25 miles east of the facility.

B. Environmental Justice Analysis

The Environmental Justice (EJ) Analysis indicated that 2,976 people live within one mile of the Site. At this Site, the low-income percentage is 57%, and the minority percentage is 95%. Therefore this site does meet the region's EJ criteria based on demographics as identified in "Region 5 Interim Guidelines for Identifying and Addressing a Potential EJ Case, June 1998".

Please refer to Attachment 1- Original Action Memorandum dated July 15, 2005, for further details and the EJ Analysis Report.

C. Site Description and Background

Acme Steel Company was an integrated producer of steel products. Products included: high carbon, alloy, and high-strength flat-rolled steels that were converted by outside companies into industrial equipment, pipes, tubes, and tools. Acme Steel Company was divided into three facilities located in Riverdale and Chicago, Illinois: coke plant (Torrence Avenue, Chicago), blast furnace (Burley Avenue, Chicago), and steel making (Perry Street, Riverdale). The Acme Chicago Coke Plant is the subject of this Action Memorandum.

On September 28, 1998, Acme Metals and its subsidiaries filed separate voluntary petitions for protection and reorganization under Chapter 11 of the United States Bankruptcy Code. In June

2001, the Company entered into a contract for the sale of Alpha Tube to AK Steel. Also in 2001, the Company began a shut-down of the operating facilities and liquidation of the working capital assets of Acme Steel.

On October 10, 2002, International Steel Group (ISG) purchased a portion of the assets of Acme Steel from bankruptcy. The bankruptcy proceedings are now closed and an order of abandonment was issued for the unsold assets of Acme Metals including, apparently, the Chicago Coke Plant. Currently, there is not an identified owner of the real property comprising the Site.

During Acme bankruptcy proceedings, Salrecon, LLC acquired an ownership interest in structures and fixtures at the facility. For several years Salrecon engaged in scrap salvaging activities at the facility. In 2005, the Calumet Heritage Partnership, on behalf of Chicago's Steel Heritage Project, signed a contract to purchase the coke plant structures from Salrecon. In July 2006, the Calumet Heritage Partnership defaulted on the contract and the coke plant structures reverted back to Salrecon. At that time, work at the Site was halted and U.S. EPA began negotiating with Salrecon to complete the remaining tasks under the time-critical removal action.

Please refer to Attachment 1- Original Action Memorandum for additional Site description and background information.

U.S. EPA Site Assessments

On August 1, 2002, the United States Environmental Protection Agency (U.S. EPA) conducted a site assessment at the Acme Chicago Coke Plant to determine the threats to human health and the environment at the closed down portions of the Acme Steel Company facilities.

On November 24, 2004, representatives from U.S. EPA, Superfund Division, Emergency Response Branch, and a representative from the Chicago Department of the Environment (Chicago DOE) conducted a site inspection at the Acme Chicago Coke Plant. The purpose of the inspection was to determine whether the current conditions at the Site pose an immediate threat to public health, welfare, and the environment.

Please refer to Attachment 1- Original Action Memorandum for details of the Removal Site Assessments.

D. Removal Actions to Date

On October 5, 2005, U.S. EPA mobilized the Emergency Response and Removal Service (ERRS) and Superfund Technical Assistance and Response Team (START) contractors to the Site to begin the time-critical removal action. ERRS was tasked with securing the Site; collecting miscellaneous containers and drums; and the excavation and disposal of PCB and arsenic contaminated soils.

III. THREATS TO PUBLIC HEALTH, WELFARE, OR THE ENVIRONMENT, AND STATUTORY AND REGULATORY AUTHORITIES

The conditions present at the Acme Chicago Coke Plant Site constitute an imminent and substantial threat to the public health, welfare, and the environment based upon the factors set forth in Section 300.415(b)(2) of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), as amended, 40 CFR Part 300. These factors include, but are not limited to, the following:

- 1) *Actual or potential exposure to nearby human populations, animals, or the food chain from hazardous substances or pollutants or contaminants;*

This factor is present at the Acme Chicago Coke Plant Site due to unrestricted access to the Site and buildings, the presence of human activity, the deteriorating nature of the buildings, and hazardous materials present in abandoned tanks, containers and in surrounding soils. In addition, friable asbestos is present on the ground and on outdoor piping. Please refer to Attachment 1- Original Action Memorandum for additional details.

- 2) *Hazardous substances or pollutants or contaminants in drums, barrels, tanks, or other bulk storage containers, that may pose a threat of release;*

This factor is present at the Acme Chicago Coke Plant Site due to the uncontrolled existence of drums and tanks containing a variety of hazardous materials. Some of the containers are leaking onto the ground or already have leaked onto the ground. Site conditions are subject to deterioration since some of the waste material is not contained. In addition, containers are located in buildings with leaking roofs and no heat, or outside where they are exposed to various inclement weather conditions. Furthermore, scavengers have damaged or removed transformers which contain PCBs. Please refer to Attachment 1- Original Action Memorandum for additional details.

- 3) *High levels of hazardous substances or pollutants or contaminants in soils largely at or near the surface, that may migrate;*

This factor is present at the Site due to the existence of sulfuric acid odors permeating around a concrete secondary containment area. A heavy naphtha odor was noted around the entire central area of the Site. Coke byproducts and waste materials were observed on the ground throughout the facility. Also threatening release to the soil are leaking drums, PCB transformers, flammable gas cylinders, and laboratory chemicals. Please refer to Attachment 1- Original Action Memorandum for additional details.

- 4) *Weather conditions that may cause hazardous substances or pollutants or contaminants to migrate or be released;*

This factor is present at the Site due to the deteriorating nature of the buildings. Some of the drums are located in open areas and exposed to the effects of weather. Cold temperatures can exacerbate the poor condition of the drums through freezing and thawing. In addition, high temperatures can easily exceed 68° F, increasing the chance for ruptures of the drum by causing them to pressurize and bulge, thereby increasing the possibility of fire or explosion. Please refer to Attachment 1- Original Action Memorandum for additional details.

IV. ENDANGERMENT DETERMINATION

Until the contamination presently located at the Site is removed and disposed of, the threats posed by the presence of hazardous substances, if not addressed by implementing the response actions selected in this Action Memorandum, present an imminent and substantial endangerment to public health, welfare, and the environment.

V. EXEMPTION FROM STATUTORY LIMITS

CERCLA Section 104 (c) states that removal actions can exceed the 12-month and the 2 million dollars statutory limit if conditions meet either the "emergency exemption" criterion or the "consistency" criterion. Conditions at the Acme Chicago Coke Plant Site warrant the exemption from the 12-month statutory exemption based on the following factors:

EMERGENCY WAIVER

- 1) *There is an immediate risk to public health or welfare or the environment;*

Drums, containers and tanks containing hazardous substances are present at the Site, and are located in buildings with no heat and leaking roofs, or outside where they are exposed to various inclement weather conditions. Scavengers have already damaged a number of transformers with PCBs, and will likely target the tanks and outdoor piping with asbestos containing pipe wrap. The risks presented by these materials are described in detail in Attachment 1- Original Action Memorandum.

- 2) *Continued response actions are immediately required to prevent, limit, or mitigate an emergency;*

For reasons stated above, this component applies. There are still hazardous substances present in tanks, containers and drums. Asbestos containing material is present in piping insulation on pipes located outside buildings. As recited above, a salvage company expressed interest in completing the response action, and engaged U.S. EPA in negotiation. These negotiations were not successful, but this response action was suspended during their pendency. Due to failed PRP negotiations, there is a need for additional removal actions at this Site beyond the 12 month statutory limit.

- 3) *Assistance will not otherwise be provided on a timely basis;*

Neither state nor local agencies have any resources available to complete the remaining removal actions at this Site.

VI. PROPOSED ACTIONS AND ESTIMATED COSTS

A. Proposed Actions

1) Proposed action description

The On-Scene Coordinator (OSC) proposes the following remaining actions to mitigate threats posed by the presence of hazardous substances at the Acme Chicago Coke Plant:

- a) Review and, as appropriate, supplement past Site security measures as necessary to prevent access to contaminated areas.

- b) Sample, analyze and categorize remaining drums, smaller containers, tanks, and any other facility contents, and stage them for disposal. Bulk/re-containerize compatible waste streams, and appropriately prepare for their disposal at off-site disposal facilities in accordance with U.S. EPA's Off-Site Rule (40 CFR § 300.440).
- c) Clean emptied tanks, piping, debris, drums and other containers as necessary, cut them to size and dispose of them at off-site disposal facilities.
- d) Characterize, remove and properly reclaim/dispose of off-site the transformers present on-site.
- e) Remove and properly dispose of off-site piping insulation and other material containing friable asbestos in areas located outside buildings.
- f) Properly address any additional hazardous waste and/or materials identified during the removal action.

The response actions described in this memorandum directly address actual or threatened releases of hazardous substances or contaminants at the Site which may pose an imminent and substantial endangerment to public health and safety, and to the environment. These response actions do not impose a burden on the affected property disproportionate to that which the property contributes to the conditions being assessed.

The removal action will be continued in a manner not inconsistent with the NCP. The OSC has begun planning for provisions of post-removal site control, consistent with the provisions of Section 300.415 of the NCP.

2) Contribution to remedial performance

The continued action will not impede future responses based upon available information. The Site is a non-NPL site for which remedial action has not been planned to date. The removal action will address all threats meeting the NCP Section 300.415(b)(2) removal criteria as identified in Section III of this Action Memorandum.

3) Applicable or relevant and appropriate requirements

On June 14, 2005, a letter was sent to Bruce Everetts with the Illinois EPA, requesting State applicable or relevant and appropriate requirements (ARARs). Any state ARARs identified in a timely manner for this removal action will be complied with to the extent practicable.

4) Project schedule

The remaining work is estimated to be completed in 15 days with 10 hour work days.

B. Estimated Costs

The total extramural costs that were projected in the original Action Memorandum were \$266,641. Please refer to the original Action Memorandum for a detailed cleanup contractor cost breakdown. To date, approximately \$92,000 of the extramural budget approved in the original Action Memorandum has been used to perform removal activities. As such, \$174,641 remains available to perform the work proposed in this Action Memorandum.

As the projected costs for the proposed work are well within the extramural budget that was approved in the original Action Memorandum, a ceiling increase will not be needed.

VII. EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN

Continued risk to public health and the environment will result if no action or delayed action ensues. Given the Acme Chicago Coke Plant Site conditions, the nature of the hazardous substances documented on-site, and the potential exposure pathways to nearby populations described in Sections II and III above, actual or threatened release of hazardous substances from the Site, if not addressed by implementing the response actions selected in this Action Memorandum, would present an imminent and substantial endangerment to public health, welfare, and the environment.

VIII. OUTSTANDING POLICY ISSUES

The removal action is not precedent setting because asbestos is not a principal contaminant of concern at the Site. Headquarters has been consulted regarding the asbestos issues.

IX. ENFORCEMENT

Enforcement efforts are documented in the original Action Memorandum for this Site.

The total U.S. EPA costs for this removal action based on full-cost accounting practices that will be eligible for cost recovery are estimated to be \$445,499¹.

$$(\$266,641 + \$20,500) + (55.15\% \times \$287,141) = \$445,499$$

¹ Direct Costs include direct extramural costs and direct intramural costs. Indirect costs are calculated based on an estimated indirect cost rate expressed as a percentage of site specific direct costs, consistent with the full cost accounting methodology effective October 2, 2000. These estimates do not include pre-judgement interest, do not take into account other enforcement costs, including Department of Justice costs, and may be adjusted during the course of a removal action. The estimates are for illustrative purposes only and their use is not intended to create any rights for responsible parties. Neither the lack of a total cost estimate nor deviation of actual total costs from this estimate will affect the United States's right to cost recovery.

X. RECOMMENDATION

This decision document presents the continuation of the selected removal action for the Acme Chicago Coke Plant Site located in Chicago, Cook County, Illinois, developed in accordance with CERCLA, as amended, and not inconsistent with the NCP. This decision is based on the Administrative Record for the Site (Attachment 2).

Conditions at the Site continue to meet the NCP, Section 300.415 (b)(2) criteria for a removal action and the CERCLA Section 104(c) emergency exemption from the 12-month statutory limitation, and I recommend your approval of the proposed removal action and the 12-month exemption. The total project ceiling of \$266,641 and the cleanup contractor ceiling of \$249,141 established in the Original Action Memorandum for this Site will not be exceeded. You may indicate your decision by signing below.

APPROVE:

 **F. R. K.** DATE: 12/5/06
Director, Superfund Division

DISAPPROVE:

Director, Superfund Division

Attachments

1. Original Action Memorandum dated July 15, 2005
2. Administrative Record Index

cc: D. Chung, U.S. EPA, 5202-G
M. Chezik, U.S. DOI, **w/o Enf. Addendum**
B. Everetts, Illinois EPA **w/o Enf. Addendum**
T. Sheahan, Chicago DOE **w/o Enf. Addendum**

BCC PAGE

NOT RELEVANT TO THE SELECTION OF THE REMOVAL ACTION

(REDACTED 1 PAGE)

ATTACHMENT 1

Original Action Memorandum dated July 15, 2005



ATTACHMENT 2

U.S. ENVIRONMENTAL PROTECTION AGENCY REMOVAL ACTION

ADMINISTRATIVE RECORD FOR ACME CHICAGO COKE SITE CHICAGO, COOK COUNTY, ILLINOIS

ORIGINAL
JULY 15, 2005

<u>NO.</u>	<u>DATE</u>	<u>AUTHOR</u>	<u>RECIPIENT</u>	<u>TITLE/DESCRIPTION</u>	<u>PAGES</u>
1	07/19/02	U.S. EPA	File	Closure Activities/Status Report for the Acme Steel Company, Chicago Coke Plant, w/Attachments	69
2	09/06/02	Balla, T., Weston Solutions, Inc.	Collins, M., U.S. EPA	Site Assessment Report for the Acme Steel Company, Riverdale, w/Attachments	83
3	10/27/04	City of Chicago, Dept. of Environment	File	Narrative Site Assessment Report for the Acme Coke Plant w/Attachments	18
4	07/15/05	Ribordy, M., U.S. EPA	Karl, R., U.S. EPA	Action Memorandum: Request for a Time Critical Removal Action at the Acme Chicago Coke Plant Site (PORTIONS OF THIS DOCUMENT HAVE BEEN REDACTED)	22

UPDATE #1
OCTOBER 20, 2006

1	00/00/00	Ribordy, M., U.S. EPA	Karl, R., U.S. EPA	Action Memorandum: Request for a CERCLA Removal Action Exemption to the 12 Month Statutory Limit for the Acme Chicago Coke Plant (PENDING)	
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